



9111-14

## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

#### **National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Document Image System (DIS)**

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** General notice.

**SUMMARY:** This document announces U.S. Customs and Border Protection's (CBP's) plan to conduct a National Customs Automation Program (NCAP) test concerning document imaging. During the test, certain Automated Commercial Environment (ACE) participants will be able to submit electronic images of a specific set of CBP and Participating Government Agency (PGA) forms and supporting information to CBP. Specifically, importers, and brokers, will be allowed to submit official CBP documents and specified PGA forms via the Electronic Data Interchange (EDI). This notice also describes test particulars including commencement date, eligibility, procedural and documentation requirements, and test development and evaluation methods. The test will be known as the Document Image System (DIS) Test.

**DATES:** The DIS test will commence no earlier than [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] and will continue until concluded by way of announcement in the **Federal Register**. Comments concerning this notice and any aspect of the test may be submitted at any time during the test to the address set forth below.

**ADDRESSES:** Comments concerning this notice should be submitted via e-mail to Monica Crockett at [ESARinfoinbox@dhs.gov](mailto:ESARinfoinbox@dhs.gov). In the subject line of your e-mail, please indicate “Document Image System (DIS)”.

**FOR FURTHER INFORMATION CONTACT:** For policy-related questions, contact Monica Crockett at [monica.crockett@dhs.gov](mailto:monica.crockett@dhs.gov). For technical questions related to ABI transmissions, contact your assigned client representative. Any PGA interested in participating in DIS should contact Susan Dyszel at [susan.dyszel@dhs.gov](mailto:susan.dyszel@dhs.gov). Interested parties without an assigned client representative should direct their questions to Susan Maskell at [susan.maskell@dhs.gov](mailto:susan.maskell@dhs.gov).

**SUPPLEMENTARY INFORMATION:**

**Background**

The National Customs Automation Program (NCAP) was established in Subtitle B of Title VI—Customs Modernization, in the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057, 2170, December 8, 1993) (Customs Modernization Act). See 19 U.S.C. 1411. Through NCAP, the initial thrust of customs modernization was on trade compliance and the development of the Automated Commercial Environment (ACE), the planned successor to the Automated Commercial System (ACS). ACE is an automated and electronic system for commercial trade processing which is intended to streamline business processes, facilitate growth in trade, ensure cargo security, and foster participation in global commerce, while ensuring compliance with U.S. laws and regulations and reducing costs for U.S. Customs and Border Protection (CBP) and all of its communities of interest. The ability to meet these

objectives depends on successfully modernizing CBP's business functions and the information technology that supports those functions. CBP's modernization efforts are accomplished through phased releases of ACE component functionality designed to replace a specific legacy ACS function. Each release will begin with a test and will end with mandatory compliance with the new ACE feature, thus retiring the legacy ACS function. Each release builds on previous releases and sets the foundation for subsequent releases.

ACE prototypes are tested in accordance with §101.9(b) of title 19 of the Code of Federal Regulations (19 CFR 101.9(b)), which provides for the testing of NCAP components including ACE. For the convenience of the public, a chronological listing of **Federal Register** publications detailing ACE test developments in Entry, Summary, Accounts and Revenue (ESAR) is set forth below in Section X, entitled, "Development of ACE Prototypes." The procedures and criteria related to participation in the prior ACE tests remain in effect unless otherwise explicitly changed by this or subsequent notices published in the **Federal Register**.

### **Document Image System (DIS) Test Program**

This notice announces a CBP plan to allow parties who have been accepted in previous ESAR tests and who file entry summaries in ACE to submit specified CBP and PGA documents via the Electronic Data Interchange (EDI) as part of the Document Image System (DIS) test. DIS is currently a stand-alone system that will eventually support integration with other CBP systems and other government agencies. DIS capabilities will be delivered in multiple phases.

The first phase, and the subject of this notice, will enable participating importers and brokers to transmit images of specified CBP and PGA forms with supporting information via EDI in an Extensible Markup Language (XML) format, in lieu of conventional paper methods. DIS will provide for the storage of all submitted documents in a secure centralized location for the maintenance of associations with ACE entry summary transactions. Authorized CBP and PGA users will have the ability to access document images submitted by trade participants via a user interface, which will allow CBP and PGA users to select specific documents for review, to change the status of documents, and to add comments based on the current state of their review. The interface will also allow the document image to be downloaded or printed, if necessary. This first phase will be limited to the forms listed below in Section III of this notice.

Subsequent deployment phases of DIS will extend the functionality developed in this first phase to other CBP and PGA systems. These latter phases will incorporate additional forms into DIS and provide new interfaces for integration of DIS with other systems in CBP and other government agencies. The exact dates and content of subsequent phases of DIS have not yet been determined but will be announced in the **Federal Register** when set.

## **Test Participation**

### **I. Eligibility Requirements**

In order to be eligible to participate in the DIS test, importers or brokers must be ACE entry summary filers. Interested participants should contact their client representative for additional information pertaining to participation in this test. Interested companies that do not currently have an assigned client representative should submit a

Letter of Intent expressing their intent to participate in the DIS test so that client representatives can be assigned. Instructions for the preparation of the Letter of Intent can be found on the CBP website at:

[http://www.cbp.gov/xp/cgov/trade/automated/automated\\_systems/abi/getting\\_started/getting\\_started.xml](http://www.cbp.gov/xp/cgov/trade/automated/automated_systems/abi/getting_started/getting_started.xml).

## II. Rules for Submitting Images in Document Image System

The following rules will apply to all participants involved in the DIS testing process:

- Documents may be transmitted in DIS in response to a request for entry summary documentation or in response to a request for release documentation for certified ACE entry summaries.
- Unsolicited document submissions are not allowed; however, for the purposes of PGA forms and invoices/packing lists that are associated to ACE entry summaries certified for cargo release, the trade may submit the required documentation without a prior request by CBP or the participating government agency (PGA).
- Only documents that have been requested by CBP or the PGA should be transmitted to CBP. If a document is submitted that has not been requested by CBP, an error message will be returned indicating that the transaction for which the document was submitted does not have any pending document requests made by CBP or a PGA.
- The filer may only file documents that CBP can accept electronically. In this first phase of DIS, the documents CBP can accept electronically are noted below. If

CBP cannot accept the additional information electronically, the filer must file the additional information by other means, which may be paper.

- For the purposes of this test, original documents must be retained and made available in paper, if requested by CBP or a PGA.
- For the purposes of this test phase, APHIS, EPA and NOAA forms can be submitted only with ACE entry summaries that are certified for release.

### III. Documents Supported in the First Phase of the Test

The first test phase is limited to the transmission of documents specified in this notice. The CBP form and commercial documents supported in this first phase of the DIS test and covered by this notice are Commercial Invoices, Packing Lists, and Invoice Working Sheets. The PGA related forms and documents supported in this first phase of the DIS test and covered by this notice are as follows:

- TSCA Import Certification Form
- EPA Form 3520-21 Importation of Motor Vehicles and Engines (off road)
- EPA Form 3520-1 Importation of Motor Vehicles and Engines (on road)
- EPA Form 3540-1 Notice of Arrival of Pesticides and Devices
- EPA Pre-approved Vehicle/Engine Exemption Letter
- EPA Pesticide Label
- APHIS Ingredients List
- APHIS Phytosanitary Certificate
- APHIS Import Permit
- APHIS Transit Permit
- APHIS Notice of Arrival

- APHIS Pre-Clearance 203
- NOAA Form 370 Fisheries Certificate of Origin
- NOAA Toothfish Pre-Approval

Please be advised that this first phase of the DIS test is limited to the above CBP and PGA forms. Other forms may be referenced in the DIS Implementation Guidelines, but such forms are not eligible for the present DIS test.

#### IV. Recordkeeping

Any form or document submitted via DIS is an electronic copy of an original document that is subject to the recordkeeping requirements of 19 CFR Part 163. Every form or document transmitted through DIS must be a complete, accurate and unaltered copy of the original document.

#### V. Technical Specifications

Images must be submitted in an XML via Secure FTP, Secure Web Services, existing EDI ABI MQ interfaces. All responses back to the importer and/or broker will also be sent in the form of an XML message. There are no technical restrictions on the Multipurpose Internet Mail Extension (MIME) file types that DIS will accept; however, JPEG, GIF, PDF, MS Word Documents, and MS Excel Spreadsheets are preferred.

Additional information pertaining to technical specifications (*see* DIS Implementation Guidelines) can be accessed on CBP.gov at the following link:

[http://www.cbp.gov/xp/cgov/trade/automated/modernization/ace\\_edi\\_messages/catair\\_m ain/abi\\_catair/catair\\_chapters/document\\_imaging\\_igs/](http://www.cbp.gov/xp/cgov/trade/automated/modernization/ace_edi_messages/catair_m ain/abi_catair/catair_chapters/document_imaging_igs/)

#### VI. Confidentiality

All data submitted and entered into the ACE Portal is subject to the Trade Secrets Act (18 U.S.C. 1905) and is considered confidential, except to the extent as otherwise provided by law (see 19 U.S.C. 1431(c)). As stated in previous notices, participation in this or any of the previous ACE tests is not confidential and upon a written Freedom of Information Act request, a name(s) of an approved participant(s) will be disclosed by CBP in accordance with 5 U.S.C. 552.

#### VII. Waiver of Affected Regulations

Any provision in 19 CFR including, but not limited to, provisions found in parts 141, 142, 143, and 151 thereof relating to entry/entry summary processing that are inconsistent with the requirements set forth in this notice are waived for the duration of the test (see 19 CFR 101.9(b)). The DIS Implementation Guidelines and Customs and Trade Automated Interface Requirements (CATAIR) should be consulted for appropriate terms and definitions for purposes of this test. CATAIR documentation provides complete information describing how importers and/or their agents provide electronic import information and receive transmissions.

#### VIII. Misconduct under the Test

An ACE test participant may be subject to civil and criminal penalties, administrative sanctions, liquidated damages, and/or suspension from this test for any of the following:

- Failure to follow the terms and conditions of this test.
- Failure to exercise reasonable care in the execution of participant obligations.
- Failure to abide by applicable laws and regulations.



Suspensions for misconduct will be administered by the Executive Director, Trade Policy and Programs, Office of International Trade, CBP Headquarters. A written notice proposing suspension will be issued to the participant that appraises the participant of the facts or conduct warranting suspension and informs the participant of the date the suspension will begin. Any decision proposing suspension of a participant may be appealed in writing to the Assistant Commissioner, Office of International Trade within 15 calendar days of the notification date. An appeal of a decision of proposed suspension must address the facts or conduct charges contained in the notice and state how compliance will be achieved. In cases of non-payment, late payment, willful misconduct or where public health interests or safety is concerned, a suspension may be effective immediately.

#### IX. Test Evaluation Criteria

To ensure adequate feedback, participants are required to participate in an evaluation of this test. CBP also invites all interested parties to comment on the design, implementation and conduct of the test at any time during the test period. CBP will publish the final results in the **Federal Register** and the Customs Bulletin as required by 19 CFR 101.9(b). The following evaluation methods and criteria have been suggested:

1. Baseline measurements to be established through data analysis.
2. Questionnaires from both trade participants and CBP addressing such issues as:
  - Workload impact (workload shifts/ volume, cycle times, etc.).
  - Cost savings (staff, interest, reduction in mailing costs, etc.).
  - Policy and procedure accommodation.
  - Trade compliance impact.

- Problem resolution.
- System efficiency.
- Operational efficiency.
- Other issues identified by the participant group.

#### X. Development of ACE Prototypes

A chronological listing of **Federal Register** publications detailing ACE test developments is set forth below.

- ACE Portal Accounts and Subsequent Revision Notices: 67 FR 21800 (May 1, 2002); 70 FR 5199 (February 1, 2005); 69 FR 5360 and 69 FR 5362 (February 4, 2004); 69 FR 54302 (September 8, 2004).
- ACE System of Records Notice: 71 FR 3109 (January 19, 2006).
- Terms/Conditions for Access to the ACE Portal and Subsequent Revisions: 72 FR 27632 (May 16, 2007); 73 FR 38464 (July 7, 2008).
- ACE Non-Portal Accounts and Related Notice: 70 FR 61466 (October 24, 2005); 71 FR 15756 (March 29, 2006).
- ACE Entry Summary, Accounts and Revenue (ESAR I) Capabilities: 72 FR 59105 (October 18, 2007).
- ACE Entry Summary, Accounts and Revenue (ESAR II) Capabilities: 73 FR 50337 (August 26, 2008); 74 FR 9826 (March 6, 2009).
- ACE Entry Summary, Accounts and Revenue (ESAR III) Capabilities: 74 FR 69129 (December 30, 2009).

- ACE Entry Summary, Accounts and Revenue (ESAR IV) Capabilities: 76 FR 37136 (June 24, 2011).

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